

VZCZCXRO0793
OO RUEHCHI RUEHCN RUEHDT RUEHHM
DE RUEHML #1352/01 1560954
ZNY CCCCC ZZH
O 040954Z JUN 08
FM AMEMBASSY MANILA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0905
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE
RUEKJCS/JOINT STAFF WASHINGTON DC IMMEDIATE
RHHMUNA/CDRUSPACOM HONOLULU HI IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 03 MANILA 001352

SIPDIS

E.O. 12958: DECL: 06/04/2018

TAGS: [PTER](#) [MOPS](#) [PINS](#) [RP](#)

SUBJECT: BASILAN UNREST MIRRORS UNSETTLED PEACE PROCESS

REF: A. MANILA 1192 (FORMER MILITARY CHIEF TO HEAD PEACE TALKS)
[1](#)B. MANILA 1091 (CONSTITUTIONAL ISSUE REMAINS KEY ISSUE FOR MILF PEACE TALKS)
[1](#)C. MANILA 0912 (KEY PEACE DOCUMENT UNDER LEGAL REVIEW)
[1](#)D. 2007 MANILA 3693 (SECURITY FORCES TAKE OUT TERRORISTS SUSPECTED IN CONGRESSMAN'S MURDER)
[1](#)E. 2007 MANILA 2369 (ARROYO ORDERS RULE OF LAW FOR PERPETRATORS OF BEHEADINGS)
[1](#)F. 2007 MANILA 2503 (PRESERVING PEACE PROCESS IN WAKE OF BEHEADINGS ON BASILAN)
[1](#)G. 2007 MANILA 2344 (NEW MILF-AFP ENCOUNTER LEADS TO BEHEADINGS)

Classified By: Ambassador Kristie Kenney for reasons 1.4 (b) and (d).

[1](#)1. (C) SUMMARY: While the Philippine government continues to reiterate its commitment to the Mindanao peace process, and a ceasefire is largely holding in conflict-affected areas of Mindanao, Malaysian-facilitated peace talks between government and the Moro Islamic Liberation Front (MILF) have been on hold since December and elements on both sides appear to be getting restive. Reminiscent of violence that flared in July 2007 when Philippine Marines were ambushed and mutilated in Basilan, there has been an uptick in confrontations between Muslim insurgent groups and Marines who have taken over command on the island, where complex tribal and familial ties run deep between insurgent and terrorist bands. Discussions in Kuala Lumpur appear unlikely to resume before the end of the month at the earliest, as newly named government Peace Advisor Hermogenes Esperon remains on leave until mid-June and the Philippine Cabinet continues to seek a workable constitutional formula for the proposed Muslim autonomous region. The Ambassador and senior USG visitors, including the Joint Chiefs of Staff Chairman and the PACOM commander, have underscored to government and military officials the need for moving negotiations forward.
END SUMMARY.

At the Crossroads

[1](#)2. (C) Tipo Tipo, on the island of Basilan, lies at the crossroads of the Mindanao peace process. The municipality remains a sanctuary for members of the terrorist Abu Sayyaf Group (ASG), and the sole location in the Sulu Archipelago where the Moro Islamic Liberation Front (MILF) maintains a significant presence. Tribal and familial ties often run deep between ASG and MILF personalities within this conflict-affected area. Moreover, the MILF communities there hold a political significance out of proportion to their size, as central Mindanao-based MILF leaders hope to use this small MILF presence as the basis for including Basilan and the rest of the Sulu Archipelago in a new Muslim political

entity.

Gruesome Symbol

13. (C) This same area of Basilan holds powerful symbolic meaning for the Armed Forces of the Philippines (AFP), as the site of the bloody armed clash on July 10, 2007, that killed 14 Philippine Marines -- 10 of whom were beheaded, presumably by ASG members, though that has never been conclusively determined (ref g). In the immediate aftermath of the July 10 incident, then-AFP Chief of Staff General Hermogenes Esperon and National Security Advisor Norberto Gonzales planned sweep operations against those suspected of committing the beheadings, but their plan was overruled by President Gloria Arroyo to preserve the MILF peace process (ref e). Frustrated over their inability to quickly and decisively eliminate all of the suspected perpetrators, the Philippine Marines were restricted to conducting periodic "surgical operations" against specific targets, including ASG Commander Furuji Indama.

Latest Clashes

14. (C) On May 15, fighting erupted between Philippine troops and MILF forces near Tipo Tipo. While there were no casualties, MILF Peace Panel Chairman Mohagher Iqbal charged that Philippine forces risked renewed hostilities -- including a possible repeat of the July 10 incident --

MANILA 00001352 002 OF 003

because of what he called the failure of Philippine military forces to coordinate their troop movements through MILF communities. In a more deadly clash, the ASG fought May 25 with a detachment of Philippine Marines, leaving 17 Marines wounded and two Muslim rebels dead, including ASG Commander Indama's first cousin. Several days later, the AFP fired howitzer rounds at Muslim rebel camps near Tipo Tipo further escalating tensions with the MILF. The AFP and MILF have since filed protests with the Coordinating Committee for the Cessation of Hostilities for ceasefire violations. Over 400 families were displaced from their homes during the fighting, and tensions remain high in the area.

A Deadly Backdrop

15. (C) The political backdrop for the instability that continues to plague the Tipo-tipo area is a bitter conflict between two powerful political interests, the formidable Akbar family and former Basilan Congressman Gerry Salapuddin. The Akbar clan emerged victorious in hotly contested national and regional elections on Basilan last year, as clan leader Wahab Akbar took Salapuddin's former congressional seat and his wife, Jum Akbar, dealt a humiliating defeat to Salapuddin in the gubernatorial election. The Akbar clan was quick to tag Salapuddin as the mastermind behind the November 13, 2007, bombing at the Philippine Congress that killed Wahab Akbar (ref d), and alleged that ASG members in the Tipo Tipo area were among Salapuddin's co-conspirators.

MILF Peace Process Stalled

16. (C) Meanwhile, peace talks between the Philippine government and MILF remain stalled, and no date has been set for resumption of negotiations in Kuala Lumpur. Manila is having difficulty in balancing concerns about the constitutionality of a proposed peace deal with the insurgents' demands for greater autonomy and a larger share of resources and revenues. Government negotiators have told

us for many weeks that the government's legal review of a draft territorial agreement is nearly complete. They now say provisions related to territory, natural resources, and governance will require constitutional amendments. An official commented that, "The MILF will just have to understand and accept the constitutional process with which the government must comply," but acknowledged that breaking the stalemate with the MILF over the constitutional issue will be difficult.

¶7. (C) Separately, a MILF peace panel member told us the MILF remains firmly opposed to a constitutional process and will not compromise on this issue, based on the Tripoli Agreement of 2001, in which the MILF and Philippine government agreed not to raise the issues of Moro independence nor constitutional processes in the peace talks.

Our MILF contact suggested that while President Arroyo may be sincere in wanting to reach a peace agreement before her term ends in 2010, she was hamstrung by impeachment concerns, hardline Cabinet members, and special interests, and might leave a peace agreement to her successor.

Comment

¶8. (C) Basilan's volatile mix of military, political and social tension does not always end in conflict. In the aftermath of last year's Marine beheadings, President Arroyo chose not to react with overwhelming force, as some in the military and government advocated, but employ a more sophisticated mix of judicial action, economic aid and more targeted military action to resolve the situation. We will continue to impress upon senior-most Philippine officials -- as well as MILF leadership -- the fundamental importance of reaching a comprehensive, workable peace agreement that brings stability to Mindanao. In the past few weeks, the Ambassador has pressed this point home with all of President Arroyo's closest advisors. Recent high-level U.S. visitors, including Joint Chiefs of Staff Chairman Admiral Mullen and PACOM Commander Admiral Keating, have also reiterated the importance of a balanced strategy of negotiation, economic assistance and targeted military action in resolving the insurgencies -- and ending terrorism -- in Mindanao. The negotiating ball has been in the government's court since February, and the lack of progress has already led to an uptick in violence. We will continue to press for forward movement so that the Armed Forces of the Philippines can stay

MANILA 00001352 003 OF 003

focused on high value terrorists while maintaining peace with the Muslim insurgents.

KENNEY